

**STATE OF WASHINGTON
OFFICE OF THE INSURANCE COMMISSIONER**

In The Matter of

RUSSELL B. CHITTOCK,

Licensee.

ORDER NO. 15-0041

WAOIC NO. 216112
NPN 7954778

ORDER REVOKING LICENSE

To: Russell B. Chittock
234 Canvasback Drive
Kelso, Washington 98626-5805
russ.chittock@gmail.com

IT IS ORDERED AND YOU ARE HEREBY NOTIFIED that your Washington State insurance producer's license is **REVOKED**, effective **March 9, 2015**, pursuant to RCW 48.17.530.

BASIS:

1. Russell B. Chittock ("Licensee") is a Washington resident insurance producer, WAOIC No. 216112, licensed in 2003.

2. The OIC investigation was opened upon the receipt of a complaint from American Family Insurance (AM FAM), Agency Field Support Specialist, Jean Strauss. Strauss alleged that Washington producer Russell Chittock collected premium from Washington residents without sending the applications to AM FAM. When the customers filed claims they found out no policy was issued.

3. On July 19, 2013, Licensee was notified of this investigation by the OIC. On July 23, 2013, Licensee called OIC acknowledging receipt of the Licensee Notification Letter. He told OIC that he always deposited the premium money into his premium trust account. He said that he deposited extra money from his business account to the premium trust account to make

sure there was enough money in the account when AM FAM swept the account. He said that when he resigned from AM FAM, he left the trust account open with sufficient funds for 20 days. Licensee said he never cashed any premium checks, or used any premium moneys for his own use. Licensee said that the premium trust account was setup by Fibre Federal Credit Union, which also set up his business account separately. Licensee said the trust account was identified as "334001," and his agency business account at the same bank was identified as account "393522." He said on the AM FAM side they had an ongoing non-specific accuracy issues. Licensee told OIC that he would send copies of the statements for his agency business, and premium trust accounts.

4. Since that phone conversation took place, Licensee has failed to respond to multiple phone messages left on his home and cell phone, and emails requesting the written response and documents he promised to provide. Licensee never answered the questions asked by the OIC in writing or by phone; he did not provide copies of the requested documents and records.

5. Due to Licensee's failure to provide records, the OIC investigator was unable to verify that Licensee received client premium payments or how and when the premium funds were distributed.

6. RCW 48.17.530(1)(b) allows the Insurance Commissioner to place on probation, suspend, revoke, or refuse to issue or renew an adjuster's license, an insurance producer's license, a title insurance agent's license, or any surplus line broker's license for violating any insurance laws, or violating any rule, subpoena, or order of the Insurance Commissioner or of another state's insurance commissioner. By failing to timely respond to an inquiry from the Insurance Commissioner, Licensee violated RCW 48.17.475, justifying the revocation of his license.

IT IS FURTHER ORDERED that you return your insurance producer's license certificate to the Insurance Commissioner on or before the effective date of the revocation of your license, as required by RCW 48.17.530(4). Return your license to:

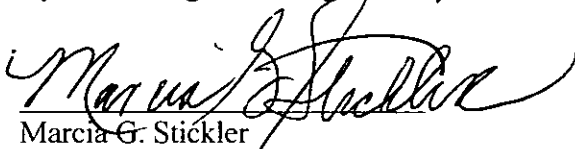
Licensing Manager
Office of the Insurance Commissioner
P. O. Box 40257
Olympia, WA 98504-0257

ENTERED this 19th day of February, 2015.



MIKE KREIDLER
Insurance Commissioner

By and through his designee



Marcia G. Stickler
Insurance Enforcement Specialist
Legal Affairs Division

NOTICE OF YOUR RIGHT TO A HEARING

If you are aggrieved by this Order Revoking License, RCW 48.04.010 permits you to demand a hearing. You must demand a hearing in writing within 90 days after the date of this Order Revoking License, which is the day it was mailed to you, or you will waive your right to a hearing.

If the Insurance Commissioner receives your demand for a hearing before the effective date listed on the order revoking your license, the revocation will be automatically stayed (postponed) and your license will remain in effect pending the hearing.

Your demand for a hearing should be sent to the following address and must briefly state how you are harmed by this decision and why you disagree with it:

Hearings Unit
Office of the Insurance Commissioner
PO Box 40255
Olympia, WA 98504-0255

You will be notified of the time and place of your hearing. If you have questions about filing a demand for hearing or the hearing process, please telephone the Hearings Unit at (360) 725-7002 or send an email to Hearings@oic.wa.gov.

CERTIFICATE OF MAILING

The undersigned certifies under the penalty of perjury under the laws of the state of Washington that I am now and at all times herein mentioned, a citizen of the United States, a resident of the state of Washington, over the age of eighteen years, not a party to or interested in the above-entitled action, and competent to be a witness herein.

On the date given below I caused to be served the foregoing ORDER REVOKING LICENSE on the following individual via US Mail.

Russell B. Chittock
234 Canvasback Drive
Kelso, Washington 98626-5805
russ.chittock@gmail.com

Dated this 19th day of February, 2015, in Tumwater, Washington.



JOSH PACE
Secretary Senior
Legal Affairs Divison